Appl. No. 09/955,747
Amdt. dated June 9, 2008
Amendment under 37 CFR 1.116 Expedited Procedure
Examining Group 2163

PATENT

REMARKS/ARGUMENTS

Status of the Claims

Claims 1, 3-18, 22-26, and 28-30 are currently pending in the application. Claims 1, 22, and 26 have been amended to correct grammatical errors. No new matter has been added by the amendments. No claims have been added or cancelled. Therefore, claims 1, 3-18, 22-26, and 28-30 are present for examination. Claims 1, 22, and 26 are independent claims.

Prior to entry of this amendment, the application included claims 1, 3-18, 22-26, and 28-30. A final office action mailed April 8, 2008 has rejected claims 1, 3-18, 22-26, and 28-30 under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 6,473,500 to Risafi ("**Risafi**").

The independent claims have been amended to clarify certain aspects of the invention. In embodiments, the methods and systems presented in the application convert value during a transfer from a first value provider to a second value provider. This conversion is illustrated, for example, in Fig. 2A of the Application and is described at, *e.g.*, Application ¶¶ [26]-[30] of the Application. The exchange provider determines the exchange rate for the value in response to receiving the value. The value is received from the first value provider in response to a request to transfer the value to the second value provider (Application, p. 4, ll. 22 – 24).

The combination of limitations in the amended claims embraces a method and system that effect transfers of value between entities that store value on behalf of customers. These value transfers are effected through a separate exchange provider that determines the exchange rate in response to a request for a transfer and in response to receiving the value from the first value provider.

Rejections Under 35 U.S.C. § 102

Claims 1, 3-18, 22-26, and 28-30 have been rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 6,473,500 to Risafi ("**Risafi**"). The patent office is charged

with putting forth a *prima facie* showing of anticipation. Applicants believe a *prima facie* case of anticipation has not been properly set forth in the Office Action. The basic test is excerpted below:

> "[For] anticipation under 35 U.S.C. 102, the reference must teach every aspect of the claimed invention either explicitly or impliedly." See MPEP §706.02, Original Eighth Edition, August, 2001, Latest Revision August 2006.

Applicants believe the rejection has flaws with the above test for anticipation. Notably, the Risafi reference fails to teach each and every aspect of the claimed invention.

Claim 1:

Missing Limitation: "the exchange provider is different from the first value provider and different from the second value provider"

The Examiner has failed to show three different elements that can represent a first value provider, a second value provider, and an exchange provider. Further, the exchange provider is different from either the first value provider or the second value provider. The Examiner states that Risafi, at col. 3, lines 55-60, shows this claim limitation. *See Office Action dated April 8, 2008*, p. 3. The cited section is as follows:

> In addition to the prepaid card, the system includes a card user, a card issuer, an agent who sells or distributes the card, a terminal, and a prepaid card processing center. The card issuer, such as a bank, issues a card and offers it for sale or distribution through its own branches or through an agent or network of agents. *Risafi*, col. 3, lines 55-60.

At least the card user, the agent, the terminal, and the card processing center cannot be a value provider because these entities do not hold value for a customer. The only entity listed that could be considered a value provider may be the bank. As such, the Examiner must admit that either the first value holder or the second value holder is missing. Further, none of these entities functions as an exchange provider by transferring value between value providers and converting the value during the transfer.

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Risafi fails to provide a component that is similar to the exchange provider. There is no component listed in the section cited by the Examiner that has any function between the bank and another entity. In the previous office action, there was no entity between the value card and the TELCO. *See Risafi*, col. 16, lines 41-43 ("In step 928, the TELCO verifies that the card number and PIN are valid, and then retrieves how much value remains in the card account."). As such, Risafi completely fails to provide any entity or system, different from the first value provider and the second value provider, which can convert value. Risafi simply moves value from the value card to another entity.

For at least this reason, claim 1 is allowable over the cited art.

Missing Limitation: "converting the received value with the processor of the exchange provider to the converted form in accordance with the determined exchange rate"

The Examiner also fails to show a conversion from one value to a converted value based on an exchange rate. The Examiner states that Risafi shows "the cash value or other value is determined and utilized accordingly, whether a gift value, transferring money between at least two cardholders, etc." *Office Action dated April 8, 2008*, p. 3. However, the Examiner makes no mention of conversion. Determining a value and converting a value are different.

The Examiner relies on Risafi, at col. 5, lines 1-18, to prove this element. The cited section is as follows:

> When the activation is performed on a batch basis, an entity assigns a PIN and initial balance to each card number, transmits the information to the card processing center, either via the communications network or by some other process such as magnetic tape, and then distributes the cards to the card users. Each card user has the option to change the PIN to one that can be easily remembered. Cash value can be added to the card, either on an individual basis or on a batch basis, and this cash value may be added periodically, at regular intervals or on a more random basis.

> The invention is used in other areas. The invention is also directed to the use of prepaid cards to fulfill payroll obligations, facilitate gift-giving, promote the purchase of specific products or services, transfer money between at least two cardholders, purchase corporate relocation expenses, and manage incentive programs to reward employees, dealers, and others. *Risafi*, col. 5, lines 1-18.

Risafi describes a transfer *without a conversion*. The cited section above does not mention conversion once. There is no first value and no second value. A simple transfer between cardholders has no conversion and is not the subject of the claims.

As explained in the previous response, Risafi provides for a prepaid phone card where the value is in the form used. *See Risafi*, col. 16, lines 34-35 ("FIG. 9b illustrates the processes of using the prepaid telephone card."). The value for the prepaid phone card is measured in time, "During the call, step 934 keeps track of the length of the call and each unit of time, e.g., each minute, decrements the usage time by one unit. This time unit can be more or less than one minute, depending on the policies and the processing capability of the TELCO." *Risafi*, col. 16, lines 50-54. Indeed, the value on the card is decremented in minutes not some other value. *See Risafi*, col. 16, lines 58-60 ("the process loops back to step 934 to decrement the time when the next minute passes."). In reloading the card, more phone time is added to the card. *See Risafi*, col. 17, lines 32-34 ("Once reloaded, step 930 is repeated in which the TELCO notifies the card user how much phone time remains in the card account."). Reloading the phone card does not require a transfer that involves a conversion. Therefore, Risafi makes no transfer that involves a conversion.

For at least this reason, claim 1 is allowable over the cited art.

Missing Limitation: "in response to receive the value, determining an exchange rate for the value with the processor of the exchange provider"

The Examiner fails to show how Risafi determines an exchange rate. In the Office Action, the Examiner states that Risafi describes "the terminal reads the encoded data and determines the value." *Office Action dated April 8, 2008*, p. 3. The Examiner relies on Risafi, at col. 4, lines 1-10, to show this element. The cited section is as follows:

> The terminal reads pre-encoded card identification data such as a card number (which is stored on the card) and transmits over a network to the card processing center the information from the card and the PIN selected by the consumer. The card processing center stores the card number, PIN, and the balance in an account file. The card user is able to use the card at any terminal or other designated device connected through a network to the processing center to buy goods and services, to withdraw cash, and to add value to the card. Risafi, col. 4, lines 1-10.

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Again, nowhere in the cited section is an exchange rate mentioned. Value is simply transferred to a card. The value is neither a conversion nor any mention of a method, using an exchange rate, to convert the value. Risafi does not include any conversion between the first value provider and the second value provider. Risafi allows for a value card with value in one form. For example, in the prepaid phone card example cited in the last office action, Risafi uses minutes from a first value provider to pay for a phone call using the system of the TELCO. Value is not converted between the value card and the TELCO. And, without a conversion, to suggest Risafi includes an exchange rate is simply incorrect.

For at least this reason, claim 1 is allowable over the cited art.

Claim 22:

Claim 22 provides similar elements as claim 1. For example, claim 22 recites "the exchange provider is different from the value provider;" "converting the nonmonetary value with the processor of the exchange provider into the monetary value;" and "in response to receiving the value, determining an exchange rate for converting the nonmonetary value into the monetary value with the processor of the exchange provider." These elements are rejected using the same argument presented above with respect to claim 1. *See Office Action dated April 8, 2008*, pp. 2-3. As such, for the same reasons as stated with respect to claim 1, claim 22 is also allowable over Risafi.

Claim 26:

Claim 26 provides similar elements as claim 1. For example, claim 26 recites "to convert the value received from the value provider over the input device into the converted value in accordance with the exchange rate;" and "in response to receiving the value, to determine an exchange rate for the value." These elements are rejected using the same argument presented above with respect to claim 1. *See Office Action dated April 8, 2008*, pp. 2-3. As such, for the same reasons as stated with respect to claim 1, claim 26 is also allowable over Risafi.

Claims 3-18, 23-25, and 28-30:

Claims 3-18, 23-25, and 28-30 all depend from one of the allowable independent claims above. For at least the reason of this dependence on allowable base claims, Claims 3-18, 23-25, and 28-30 are also allowable over Risafi.

CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance and an action to that end is respectfully requested. Applicants do not acquiesce to any argument not specifically addressed herein. Rather, Applicants believe the amendments and arguments contained herein overcome all rejections presented.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 303-571-4000.

Respectfully submitted,

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